

Substitute Bill No. 6957

January Session, 2015



## AN ACT ESTABLISHING A HOUSEHOLD BATTERY RECYCLING STEWARDSHIP PROGRAM.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

- 1 Section 1. (NEW) (*Effective from passage*) For the purposes of sections
- 2 2 to 15, inclusive, of this act:
- 3 (1) "Department" means the Department of Energy and
- 4 Environmental Protection;
- 5 (2) "Brand" means a name, symbol, word or traceable mark that
- 6 identifies a primary battery and attributes the primary battery to the
- 7 owner or licensee of the brand or the producer;
- 8 (3) "Calendar year" means the period commencing January first and
- 9 ending December thirty-first of the same year;
- 10 (4) "Collection rate" means a percentage, by weight, that each
- 11 producer or primary battery stewardship organization collects by an
- 12 established date and that is calculated by dividing the total weight of
- 13 the primary batteries that are collected during a calendar year by the
- 14 average annual weight of primary batteries that were estimated to
- 15 have been sold in the state by participating producers during the
- 16 previous three calendar years whenever such estimate is based on a
- 17 reasonable pro rata calculation based on national sales;

- 18 (5) "Commissioner" means the Commissioner of Energy and 19 Environmental Protection;
- 20 (6) "Consumer" means any person who presents or delivers any 21 number of primary batteries to a collection facility or deposits such 22 primary batteries in a collection container that is part of an approved 23 primary battery stewardship plan;
- (7) "Consumer product" means any product that is regularly used or
  purchased to be used for personal, family or household purposes.
  "Consumer product" does not include any product primarily used or
  purchased for industrial or business use;
- 28 (8) "Discarded primary battery" means a primary battery that is no 29 longer used for its manufactured purpose;
- 30 (9) "Easily removable" means readily detachable by a person without the use of tools or with the use of common household tools;
- 32 (10) "Participate" means to appoint a primary battery stewardship 33 organization to operate on behalf of oneself and to have such 34 appointment accepted by such primary battery stewardship 35 organization;
- 36 (11) "Primary battery" means a small rechargeable battery or a 37 nonrechargeable battery that weighs two kilograms or less, including 38 alkaline, carbon-zinc and lithium metal batteries. "Primary battery" 39 does not include: (A) Any battery intended for industrial, business-to-40 business, warranty or maintenance services, or nonpersonal use; (B) 41 any battery that is sold in a computer, computer monitor, computer 42 peripheral, printer, television or device containing a cathode ray tube; 43 (C) any battery that is not easily removable or that is not intended to be 44 removed from a consumer product; or (D) any battery that is sold or 45 used in a medical device, as defined in 21 USC 321, as amended from 46 time to time;
- 47 (12) "Primary battery producer" or "producer" means one of the

- following with regard to a primary battery that is sold or offered for sale in the state: (A) Any person who manufactures a primary battery and who sells or offers for sale such primary battery under such person's own name or brand; (B) any person who owns or licenses a trademark or brand under which a primary battery is sold or offered for sale, regardless of whether the trademark is registered; or (C) any person who imports a primary battery into the state for sale;
- 55 (13) "Primary battery stewardship organization" means an 56 organization appointed by one or more producers to act as an agent on 57 behalf of a producer or producers to design, submit, implement and 58 administer a primary battery stewardship plan pursuant to section 2 of 59 this act;
  - (14) "Primary battery stewardship plan" or "plan" means a plan submitted to the commissioner pursuant to section 2 of this act by an individual producer or a primary battery stewardship organization;
  - (15) "Program" or "stewardship program" means the system for the collection, transportation, recycling and disposal of primary batteries and small rechargeable batteries implemented pursuant to an approved primary battery stewardship plan;
  - (16) "Recycling" means any process by which discarded products, components and by-products are transformed into new usable or marketable materials in a manner in which the original products may lose their identity, but does not include energy recovery or energy generation by means of combusting discarded products, components and by-products with or without other waste products;
  - (17) "Retailer" means any person who offers a primary battery for sale to any consumer or business at retail in the state through any means, including, but not limited to, remote offerings such as sales outlets, catalogues or an Internet web site; and
  - (18) "Small rechargeable battery" means one or more voltaic or galvanic cells, electrically connected to produce electric energy that are

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designed to be recharged, provide less than forty volts direct current and that weighs less than five kilograms. "Small rechargeable battery" does not include any battery that is not easily removable or that is not intended to be removed from a product from any person other than the manufacturer of such product, any battery that contains electrolyte as a free liquid, any battery or battery pack that employs the use of lead-acid technology, unless such battery or battery pack is sealed, contains no liquid electrolyte and is intended by the manufacturer to power a hand-held device or provide uninterrupted backup electrical power protection for stationary consumer products or stationary office equipment.

Sec. 2. (NEW) (*Effective from passage*) (a) On or before February 1, 2016, any producer selling, offering for sale, distributing or offering for promotional purposes a primary battery in the state shall individually, or as part of a primary battery stewardship organization, submit a primary battery stewardship plan to the commissioner for the establishment of a primary battery stewardship program.

(b) Any primary battery stewardship plan submitted pursuant to this section shall include, at a minimum, each of the following elements of a primary battery stewardship program: (1) A list of: (A) All participating producers and contact information for each of the participating producers, and (B) the brands of primary batteries covered by the plan; (2) provisions for the collection of primary batteries from consumers at no cost to consumers regardless of the brand or producer of the primary battery; (3) provisions that enable retailers who meet requirements specified in the plan, municipalities and all solid waste management facilities in the state to serve as collection facilities; (4) agreements with municipalities and collectors who offer curbside or backyard collection of designated recyclable items, as described in section 22a-241j of the general statutes, for the use of such collection and attendant collection containers for the collection of primary batteries from consumers at no additional cost to consumers; (5) establishment at a minimum, of not

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fewer than seven collection facilities in each county in the state that provide for collection of primary batteries throughout the calendar year; (6) provision for the acceptance from a consumer of not more than fifty batteries per weekly collection of curbside or backyard collection of designated recyclable items, provided any other collection facility utilized by such plan may agree to accept more than fifty batteries per visit from any consumer; (7) a detailed method of management for discarded primary batteries that ensures that the components of primary batteries collected from consumers, to the extent economically and technically feasible, are recycled; (8) a listing of all key participants in the primary battery collection chain, including, but not limited to: (A) The number and name of the collection facilities, retailers, municipalities and collectors accepting primary batteries under the plan, including the address and contact information for each facility, retailer, collector and municipality, (B) the name and contact information of a transporter or contractor collecting primary batteries from collection facilities, retailers, municipalities and collectors, and (C) the name, address and contact information of the recycling facilities that process such collected primary batteries; (9) an education and outreach program that includes, but is not limited to, mass media advertising in radio or television broadcasts, newspaper publications of general circulation in the state, retail displays, articles in trade and other journals and publications. Such education and outreach program shall describe the outreach efforts that will be used to provide notice of the program to consumers, municipalities, solid waste management facilities, retailers, wholesalers and collectors. At a minimum, such education and outreach program shall notify the public of the following: (A) That there is a free collection program for all primary batteries; and (B) the location of collection points and the availability of curbside or backyard collection of designated recyclable items for collection of such primary batteries and any other means of access for the collection of such primary batteries; (10) procedures for reimbursement that are consistent with the requirements of section 9 of this act; (11) a primary battery collection rate performance goal that also includes the

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estimated total weight of primary batteries that are offered for sale in the state by the producer or the producers participating in such primary battery stewardship plan; and (12) provisions concerning the implementation of the primary battery stewardship program in conjunction with those retailers, municipalities, collectors and solid waste management facilities acting as collection facilities or collection points pursuant to such program. Such provisions shall assure that: (A) No transportation or recycling costs are imposed on retailers, municipalities, collectors or solid waste management facilities acting as collection facilities or collection points under such program, (B) retailers, municipalities, collectors and solid waste management facilities acting as collection facilities or collection points under such program are provided with requisite products or equipment for establishing a collection facility or collection point, and (C) primary batteries are collected from such retailers, municipalities, collectors and solid waste management facilities and responsibly managed in accordance with the requirements of this section.

- Sec. 3. (NEW) (*Effective from passage*) (a) Any producer of primary batteries may meet the requirements of sections 2 to 13, inclusive, of this act by participating in a primary battery stewardship organization that undertakes the producer's responsibilities under sections 2 to 13, inclusive, of this act.
- (b) To qualify as a primary battery stewardship organization, an organization shall: (1) Commit to assume the responsibilities, obligations and liabilities of all producers participating in the primary battery stewardship organization; (2) not create unreasonable barriers for participation by producers in such primary battery stewardship organization; and (3) maintain a public Internet web site that lists all producers and producers' brands covered by the primary battery stewardship organization's approved primary battery stewardship plan.
- 178 (c) (1) On March 1, 2016, and annually thereafter, each primary 179 battery stewardship organization shall file a registration form with the

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commissioner. Such registration form shall require submission of the following information: (A) A list of the producers participating in such primary battery stewardship organization, (B) the name, address and contact information of a person responsible for ensuring a producer's compliance with the provisions of sections 2 to 13, inclusive, of this act, (C) a description of how the primary battery stewardship organization proposes to meet the requirements of sections 2 to 13, inclusive, of this act, including, but not limited to, the requirements for participation in such primary battery stewardship organization, and (D) the name, address and contact information of a person at such organization for a nonmember producer to contact in order to learn how to participate in such primary battery stewardship organization. Each such annual registration and renewal shall be accompanied by a registration fee of fifteen thousand dollars.

(2) Any such registration may be renewed, without changes, on a form as prescribed by the commissioner.

Sec. 4. (NEW) (Effective from passage) (a) Not later than ninety days after receipt of a proposed primary battery stewardship plan submitted pursuant to section 2 of this act, the commissioner shall determine whether the plan complies with the requirements of section 2 of this act. If the commissioner determines that such plan complies with the requirements of section 2 of this act, the commissioner shall notify the producer or primary battery stewardship organization, in writing, of the plan's approval. If the commissioner rejects such primary battery stewardship plan, the commissioner shall notify the producer or primary battery stewardship organization, in writing, of the reasons for rejecting the plan. Any producer or primary battery stewardship organization whose plan is rejected by the commissioner shall submit a revised plan to the commissioner not later than fortyfive days after receipt of such notice of rejection. Any primary battery stewardship plan that is not approved or rejected by the commissioner within such ninety day period shall be deemed approved.

(b) Any changes to a proposed primary battery stewardship plan

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- shall be approved by the commissioner in writing. The commissioner may require a producer or a primary battery stewardship organization to amend an approved plan.
  - (c) The commissioner shall post all proposed primary battery stewardship plans and all proposed amendments to any primary battery stewardship plan on the department's Internet web site for a period of thirty days following the date that such plan or plan amendment is deemed complete by the commissioner. Any such posting shall be made in accordance with the provisions of chapter 14 of the general statutes. The commissioner shall establish a process for the receipt of public comments during any such thirty-day period.
  - (d) The commissioner shall maintain on the department's Internet web site a copy of all approved primary battery stewardship plans along with the names of producers with approved plans. Additionally, the commissioner shall list on said Internet web site all brands of primary batteries that are covered by an approved plan. The commissioner shall update such information not later than ten days after receipt of notice of any change to the listed information. The commissioner shall list on said Internet web site all known primary battery producers who are exempt from the requirements of section 8 of this act.
  - (e) Any primary battery stewardship plan approved by the commissioner pursuant to this section shall be valid for a period not to exceed five years, provided that the primary battery producer or primary battery stewardship organization remains in compliance with the requirements of sections 2 to 13, inclusive, of this act and the terms of such approved plan.
  - Sec. 5. (NEW) (*Effective from passage*) On or before March 1, 2018, and annually thereafter, each producer or primary battery stewardship organization shall submit a report to the commissioner that contains the following: (1) The weight of primary batteries collected by the producer or the primary battery stewardship organization in the prior

calendar year pursuant to the primary battery stewardship program; (2) the percentage of primary batteries collected in the prior calendar year that are from producers who are not participating in any approved primary battery stewardship program, based on periodic sorting of primary batteries by the reporting producer or primary battery stewardship organization; (3) the collection rate achieved in the prior calendar year pursuant to such primary battery stewardship program, including, but not limited to, a report of the estimated total sales data, by weight, for primary batteries sold in the state for the previous three calendar years; (4) the locations for all collection facilities established by the producers covered by the primary battery stewardship plan and contact information for each location; (5) examples and descriptions of educational materials used to increase collection; (6) the manner in which the collected primary batteries were managed and recycled; (7) any material changes to the primary battery stewardship plan approved by the commissioner pursuant to section 4 of this act; and (8) the cost of implementation of the primary battery stewardship program, including, but not limited to, the costs of collection, recycling, education and outreach.

Sec. 6. (NEW) (*Effective from passage*) Five years after the implementation of any approved primary battery stewardship plan pursuant to sections 2 to 4, inclusive, of this act, the subject producer or primary battery stewardship organization shall hire an independent third-party auditor, as selected by the commissioner, to conduct a one-time audit of the subject primary battery stewardship program. Such auditor shall examine the effectiveness of the primary battery stewardship program in collecting and recycling primary batteries. The independent auditor shall examine the cost-effectiveness of such program and compare it to collection programs for primary batteries in other states. The independent auditor shall submit the results of such audit to the commissioner and the subject producer or primary battery stewardship organization.

Sec. 7. (NEW) (Effective from passage) (a) Except as set forth in

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subsections (b) and (c) of this section, on and after January 1, 2017, any producer of a primary battery shall not sell, offer for sale or deliver to a retailer for subsequent sale a primary battery unless: (1) The producer or the primary battery stewardship organization in which the producer participates is registered under an approved and implemented primary battery stewardship plan; (2) the producer or primary battery stewardship organization remitted payment of the fee established pursuant to section 3 of this act; and (3) the name of the producer and the producer's brand is designated on the department's Internet web site as covered by an approved primary battery stewardship plan.

- (b) (1) Any producer of a primary battery who, on and after January 1, 2017, seeks to sell, offer for sale, or offer for promotional purposes in the state a primary battery not previously sold in the state, shall notify the commissioner prior to selling or offering for sale or promotion, a primary battery not covered by an approved primary battery stewardship plan.
- (2) The commissioner shall list each producer who supplies notice pursuant to this subsection as a "new producer" on the department's Internet web site. Any producer that supplies notice pursuant to this subsection shall have ninety days from the date of such notice to either join an existing primary battery stewardship organization or submit a primary battery stewardship plan for approval to the commissioner.
- (c) The provisions of this section shall not apply to any producer who annually sells, offers for sale, distributes or imports into the state primary batteries with a total retail value of less than two thousand dollars.
- Sec. 8. (NEW) (Effective from passage) (a) Except as provided in subsection (b) of this section, on and after January 1, 2017, no retailer shall sell or offer for sale a primary battery unless the producer of the primary battery has a primary battery stewardship plan approved by the commissioner, is a member of a primary battery stewardship organization with a primary battery stewardship plan approved by the

- commissioner, or is exempt from the requirement to have such a plan or participate in such an organization, as determined by review of the producers listed on the department's Internet web site pursuant to section 7 of this act.
- (b) No retailer shall be deemed to be in violation of subsection (a) of this section if: (1) The retailer purchased the primary battery prior to January 1, 2017, and sells such primary battery on or before January 1, 2018; or (2) the producer's primary battery stewardship plan expired or was revoked, and the retailer took possession of the in-store inventory of primary batteries prior to the expiration or revocation of the producer's primary battery stewardship plan.
  - (c) Any producer who supplies primary batteries to a retailer shall provide, or have such producer's primary battery stewardship organization provide, such retailer with educational materials describing collection opportunities for primary batteries. Such retailer shall make such educational materials available to consumers.
  - Sec. 9. (NEW) (Effective from passage) (a) (1) Any producer or a primary battery stewardship organization operating under an approved primary battery stewardship plan that collects primary batteries that are not listed under such producer's or organization's approved plan shall be entitled to reimbursement from the producer of such collected primary batteries, or such producer's primary battery stewardship organization, for the reimbursable costs per unit of weight incurred in collecting such batteries.
    - (2) Reimbursement pursuant to subdivision (1) of this subsection may be requested by a producer or primary battery stewardship organization only after such producer or organization achieves the collection rate performance goal of such producer's or organization's primary battery stewardship program.
  - (3) Reimbursement shall be allowed pursuant to subdivision (1) of this subsection only for costs incurred in collecting the batteries that

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- are the subject of such reimbursement request. Such reimbursable costs shall include: (A) Costs of collection, transport, recycling and other methods of disposition identified in a primary battery stewardship plan approved pursuant to section 4 of this act, and (B) reasonable educational and promotional and administrative costs.
- (b) (1) Any producer or primary battery stewardship organization that incurs reimbursable costs, as described in subsection (a) of this section, shall submit a request to the producer of the collected primary battery or such producer's primary battery stewardship organization. Any producer or primary battery stewardship organization that receives a request for reimbursement pursuant to this subsection may, prior to payment of such request and not later than thirty days after receipt of such request for reimbursement, request an independent audit of the requested reimbursement costs. The independent auditor shall verify the reasonableness of the reimbursement request. If the auditor confirms the reasonableness independent reimbursement request, the producer or primary battery stewardship organization that requested the audit shall pay the costs of the independent auditor and the requested amount of reimbursement. If the independent auditor determines that the reimbursement request was not reasonable, the producer or primary battery stewardship organization that initiated such reimbursement request shall pay the cost of the independent auditor and shall only be paid the amount of reimbursement request that the independent auditor determines to be reasonable.
- (2) The department shall not be required to provide assistance or otherwise participate in a reimbursement request or independent audit described in subdivision (1) of this subsection.
- Sec. 10. (NEW) (Effective from passage) (a) Any producer or primary battery stewardship organization implementing an approved primary battery stewardship plan in compliance with the requirements of sections 2 to 4, inclusive, of this act, may bring a civil action against another producer or primary battery stewardship organization for

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damages when: (1) The plaintiff producer or primary battery stewardship organization incurs more than one thousand dollars in actual reimbursable costs, collecting, handling, recycling or properly disposing of primary batteries sold or offered for sale in the state by the defendant producer; (2) the producer from whom damages are sought in such action: (A) Can be identified as the producer of the collected primary batteries from a brand or marking on the discarded battery or from other information available to the plaintiff producer or primary battery stewardship organization, and (B) does not operate or participate in an approved primary battery stewardship organization in the state or is not otherwise in compliance with the requirements of sections 2 to 4, inclusive, of this act; or (3) the plaintiff producer or primary battery stewardship organization submitted a reimbursement request to another producer or primary battery stewardship organization pursuant to section 9 of this act and the plaintiff producer or primary battery stewardship organization does not receive reimbursement within: (A) ninety days of such reimbursement request, provided an independent audit was not requested in accordance with section 9 of this act, or (B) sixty days of completion of an independent audit and the independent auditor determined that reimbursement was owed to the plaintiff producer or primary battery stewardship organization.

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- (b) Any action brought against a producer who participates in a primary battery stewardship program that covers multiple producers shall be brought against such primary battery stewardship organization rather than such individual producer.
- (c) The department shall not be a party to or be required to provide assistance or otherwise participate in any civil action brought pursuant to this section.
- Sec. 11. (NEW) (*Effective from passage*) Each producer and primary battery stewardship organization shall be immune from liability for any claim of a violation of antitrust law or unfair trade practice, if such conduct is a violation of antitrust law, to the extent such producer or

organization is exercising authority pursuant to the provisions of sections 2 to 4, inclusive, of this act.

Sec. 12. (NEW) (Effective from passage) Any information received by the department pursuant to the provisions of sections 2 to 13, inclusive, of this act shall be disclosed in accordance with the provisions of chapter 14 of the general statutes except that the commissioner shall not make public information which, in the commissioner's judgment, contains or relates to trade secrets or commercial or financial information obtained from a person that is privileged or confidential. The total weight of batteries collected under an approved primary battery stewardship plan shall not be deemed to be confidential business information.

Sec. 13. (NEW) (*Effective from passage*) The Commissioner of Energy and Environmental Protection may adopt regulations, in accordance with the provisions of chapter 54 of the general statutes, to implement the provisions of sections 2 to 15, inclusive, of this act.

Sec. 14. (NEW) (*Effective from passage*) Not later than three years after the approval of a primary battery stewardship plan pursuant to section 4 of this act, the Commissioner of Energy and Environmental Protection shall submit a report, in accordance with section 11-4a of the general statutes, to the joint standing committee of the General Assembly having cognizance of matters relating to the environment. Such report shall provide an evaluation of the subject primary battery stewardship program, including, but not limited to, information concerning: (1) The amount, by weight, of primary batteries collected under such approved primary battery stewardship plan; (2) the percentage of collected batteries not covered by or attributable to a primary battery producer implementing an approved primary battery stewardship plan or participating in an approved primary battery stewardship organization; and (3) recommendations for any legislation concerning primary battery stewardship programs, including whether additional producers of batteries or battery containing products should be required to implement battery stewardship programs.

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- Sec. 15. (NEW) (*Effective from passage*) (a) The Commissioner of Energy and Environmental Protection may seek civil enforcement of the provisions of sections 2 to 13, inclusive, of this act pursuant to chapter 439 of the general statutes.
  - (b) Whenever, in the judgment of the commissioner, any person has engaged in or is about to engage in any act, practice or omission that constitutes, or will constitute, a violation of any provision of sections 2 to 13, inclusive, of this act, the Attorney General may, at the request of the commissioner, bring an action in the superior court for the judicial district of New Britain for an order enjoining such act, practice or omission. Such order may require remedial measures and direct compliance with the provisions of sections 2 to 13, inclusive, of this act. Upon a showing by the commissioner that such person has engaged in or is about to engage in any such act, practice or omission, the court may issue a permanent or temporary injunction, restraining order or other order, as appropriate.
    - (c) Any action brought by the Attorney General pursuant to this section shall have precedence in the order of trial, as provided in section 52-191 of the general statutes.
  - Sec. 16. (NEW) (*Effective from passage*) (a) No person shall place a discarded primary battery, as defined in section 1 of this act, in mixed municipal solid waste or discard or otherwise dispose of such a discarded primary battery except by discarding such primary battery as part of a primary battery stewardship program authorized pursuant to sections 2 to 4, inclusive, of this act.
  - (b) Any person who violates the provisions of subsection (a) of this section shall be fined not more than five hundred dollars. Each primary battery disposed of in violation of this section shall constitute a separate offense.

This act shall take effect as follows and shall amend the following sections:		
Section 1	from passage	New section
Sec. 2	from passage	New section
Sec. 3	from passage	New section
Sec. 4	from passage	New section
Sec. 5	from passage	New section
Sec. 6	from passage	New section
Sec. 7	from passage	New section
Sec. 8	from passage	New section
Sec. 9	from passage	New section
Sec. 10	from passage	New section
Sec. 11	from passage	New section
Sec. 12	from passage	New section
Sec. 13	from passage	New section
Sec. 14	from passage	New section
Sec. 15	from passage	New section
Sec. 16	from passage	New section

## Statement of Legislative Commissioners:

In section 11, "council" was changed to "organization" for consistency.

**ENV** Joint Favorable Subst. -LCO